

Economic Development Appropriations: ISU Review FY2001 – 2006



John Brighton, Vice Provost for Research

IOWA STATE UNIVERSITY

ISU – A Land Grant University

Strong programs in:

- Agriculture
- Engineering
- Science



ISU – A Land Grant University

Many years of experience in outreach to:

- Communities
- Business & Industry

ISU – A Land Grant University

Has developed a significant and broad infrastructure in economic development:

- Research Park & Business Incubators
- Research Foundation – intellectual property & tech transfer
- Faculty
- More than 70 Research Centers

FY05 Appropriations

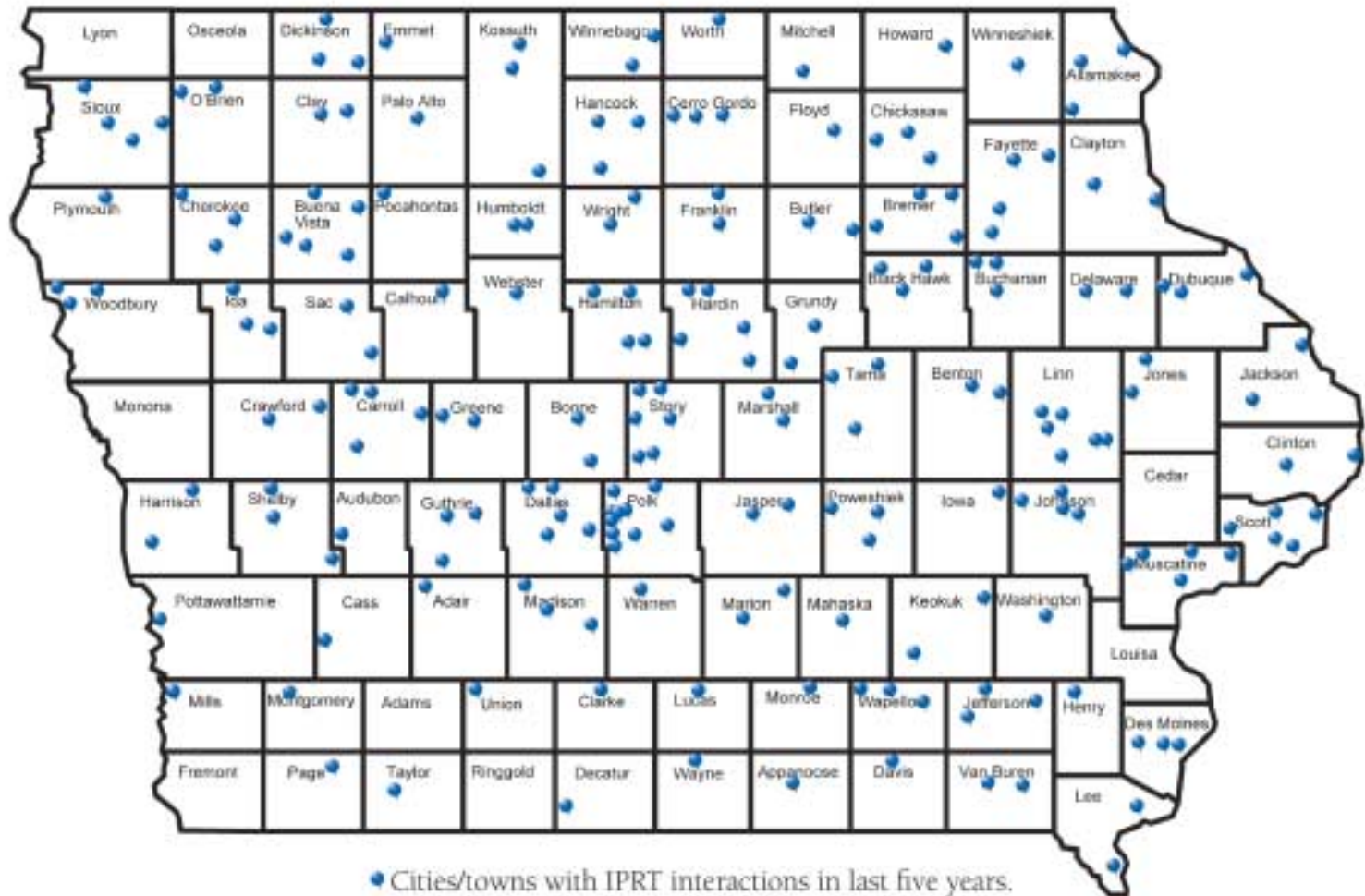
Institute for Physical Research & Technology	1,665,325
Small Business Development Centers	<u>550,000</u>
Research Park / ISIS	148,232
Total Economic Development	2,363,557

IPRT Company Assistance

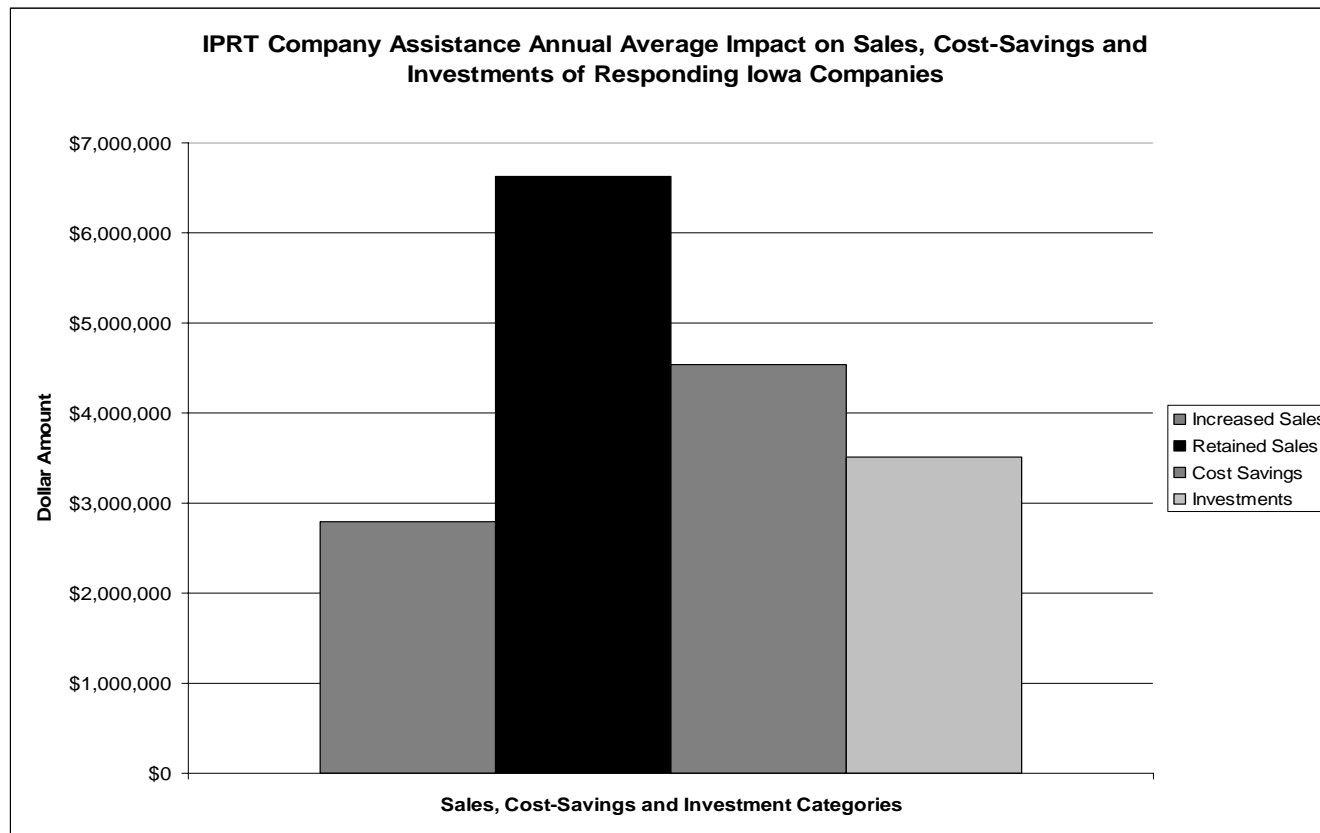
Selected Performance Measures 5-Year Summary

IPRT Company Assistance Projects (FY01-05)	
(IPRT Company Assistance + Centers) (753 + 267)	1,020
IPRT Research Centers (FY01-05)	
Research Contracts with Iowa Companies	690
IPRT Cost-sharing R&D Projects FY01-05	
Leverage 3.6	
Contracts	180
Cost-sharing Funds	\$1.7 M
Contract Values	\$6.2 M

IPRT Company Assistance



IPRT Company Assistance



Average Impact on Employment

- 32 jobs per year

Average Impact

- \$17.5M per year

Average Program Cost

- \$660K per year

Average Satisfaction Rating

- 4.5 (1-5 scale)
- 57% Survey return rate

IPRT Company Assistance



Quality Control

IPRT scientists helped a company correct a problem with bolts breaking at random torques in rebar splices through improved process control.

Valley Machining Company
Rock Valley, IA
116 Employees

IPRT Company Assistance

Technical Assistance

ISU metallurgists developed a strength test and improved solder procedure for joints in a new brush...

- Doubled the specified strength
- Producing 1000s of brushes/week
- Requires 2 FT production workers



Pipeline Cleaners, Inc.
Ft. Madison, IA
17 Employees



Iowa Small Business Development Centers

- Received \$550,000 in direct appropriation from the Iowa legislature for FY2006.
- Supplemented by additional funds from the Iowa Values Fund, the U.S. Small Business Administration, and other resource partners.
- Iowa State University has hosted the SBDC program since its inception in 1981.
- 12 regional centers are hosted by 3 Regent universities (2 centers hosted by ISU) and 8 community colleges.



Iowa Small Business Development Centers

- Are comprehensive, statewide resources to help entrepreneurs start, operate & grow their businesses
- Provided 2,597 clients with 19,627 counseling hours in FY2005
- Served 6,360 attendees with 26,085 hours of training in FY2005.
- Had over 25,000 phone, e-mail and in-person business information contacts in FY2005.



As a direct result of SBDC assistance, Iowa SBDC longer-term clients, in one year:

- Grew up to 97% faster than non-SBDC-counseled clients
- Had a benefit-to-cost ratio up to \$4.65 returned in tax revenues for every \$1 invested in SBDC program
- Created or retained 2,481 jobs
- Increased sales \$168.7 million
- Received over \$40 million in financing
- Saved/retained \$37.8 million in sales

Source: Independent study by nationally-recognized James Chrisman, PhD., Mississippi State University. These figures are from the most recent study.

Research Park Economic Impact

- 47 companies
- More than 750 Iowans employed
- Companies that have left the Research Park employ more than 900
- 330,000 sq. ft. of building development
- 2 incubators are fully occupied

Research Park Economic Impact

- Wages paid annually = \$33M
- Another \$17M in wages for companies providing goods and services to the Park
- Average wage at the Park = \$40,000
- \$1.2M in state income taxes